



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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(213) 974-1101
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April 22, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC SOCIAL SERVICES: RECOMMENDATION TO
APPROVE A BENEFIT RATE INCREASE TO THE PUBLIC AUTHORITY HOURLY
RATE FOR LOS ANGELES COUNTY TO COMPLY WITH STATE REGULATIONS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Los Angeles County is requesting a Public Authority (PA) hourly rate increase from the State to continue supporting the growing number of Personal Assistance Services Council-Service Employees International Union (PASC-SEIU) Homecare Workers Health Care Plan enrollees. The State requires that each county obtain Board approval before a benefit rate increase is processed.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve a benefit rate increase to the PA hourly rate for Los Angeles County from \$10.46 to \$10.50. The rate represents an increase in the In-Home Supportive Services (IHSS) provider health benefits rate from 51 cents to 55 cents and is needed to support the growing number of PASC-SEIU Homecare Workers Health Care Plan enrollees in Los Angeles County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Welfare & Institutions Code Section 12306.1 requires that when a Public Authority/Nonprofit Consortium Rate increase is requested that each County Board of Supervisors approve the rate increase and funding to cover both the county's share and State's share, including wages and related expenditures until State approval is received.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

The rate increase will not take effect until the State Department of Health Services has approved the increase.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended action is consistent with the principles of the Countywide Strategic Plan, Goal 3, Organizational Effectiveness, and Goal 4, Fiscal Responsibility, to ensure that service delivery systems are efficient, effective and goal oriented by strengthening both the Department of Public Social Services (DPSS) and the Personal Assistance Services Council (PASC) fiscal responsibilities.

FISCAL IMPACT/FINANCING

There is no fiscal impact to the County. There is no increase to the net County cost (NCC) as funding to support the County's share of the growth is within the existing budgeted expense and has been included in the Fiscal Year (FY) 2007-08 Adopted Budget and the Department has requested funding for FY 2008-2009.

FACTS AND PROVISIONS/ LEGAL REQUIREMENTS

The County entered into Agreement 72426 establishing the PASC as the employer of record for IHSS providers on September 14, 1999. Amendment No. 1, entered into on October 24, 2000, recognized additional appropriation for an IHSS provider wage increase. On January 8, 2002, Amendment No. 2 was approved, initiating the Health Care Plan. Amendment No. 3, recognizing a second IHSS provider wage increase, was entered into on November 20, 2002. On June 22, 2004, Amendment No. 4 was approved to add general contract provisions and change the PASC's reimbursement methods as well as increase funding for their administrative cost associated with the Health Plan. On October 28, 2004, Amendment No. 5 was approved to increase the IHSS providers' hourly wages from \$7.50 to the \$8.10. Amendment No. 6, approved on June 28, 2005, maintained IHSS providers' hourly wage at \$8.10 while preserving the County's options to prospectively consider the effects of the State Budget with regard to IHSS provider wage and benefits. Amendment No. 7, approved on July 28, 2005, allowed for an increase to the PASC's general administration costs. Amendment No. 8 approved on October 26, 2005, increased providers' hourly wages from \$8.10 to \$8.45. Amendment No. 9, approved on June 29, 2006, maintained IHSS providers' hourly wages at \$8.45. Amendment No. 10, approved on August 10, 2006, implemented a Back-Up Attendant Pilot Program in Los Angeles County. Amendment No. 11, approved March 30, 2007, increased the IHSS providers' hourly wage from \$8.45 to \$9.00.

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IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended action will support the increasing number of providers enrolling in the Health Care Plan, which is growing at a rate of one percent per month.

CONCLUSION

Upon approval and execution, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the Department of Public Social Services.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WTF', followed by a long horizontal flourish.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:MS
GP:JB:cvb

Attachment

c: Executive Officer, Board of Supervisors
County Counsel
Department of Public Social Services

Board Letter on PASC Increase

IN-HOME SUPPORTIVE SERVICES PROGRAM
PUBLIC AUTHORITY/NONPROFIT
CONSORTIUM RATE

COUNTY:
Los Angeles
CONTACT NAME:
Hortensia Diaz, IHSS Program Manager (562) 908-3055
PA NAME:
Los Angeles County Personal Assistance Services Council (PASC)
TELEPHONE & FAX NUMBER:
818-206-7000 818-206-8000 FAX
ADDRESS:
Ron Osterhout, Executive Director 4730 Woodman Avenue, Suite 405 Sherman Oaks, CA 91423

To: California Department of Social Services
 Adult Programs Branch
 744 P Street, MS 19-96
 Sacramento, CA 95814

Please address questions regarding this form to the Adult Programs Fiscal and Administrative Unit, Adult Programs Branch at (916) 229-4582.

Please complete the budget narrative below and attach supporting documentation explaining how each component of the rate was determined. The total Public Authority (PA) and Nonprofit Consortium (NPC) rate should include a rate for services (wage and benefits) and a rate for administrative costs. The total rate for wages and benefits should be broken down to include an hourly wage, payroll taxes, health and non-health benefits. The State is legally authorized to share only in the costs of individual health benefits for IHSS providers, but these costs may be eligible for Title XIX reimbursement.

- The state and federal governments will not participate in a PA or NPC rate in excess of 200% of minimum wage.
- The state will not participate in an hourly wage in excess of minimum wage unless otherwise provided for in the Annual Budget Act or appropriated by statute.
- The state will not participate in increases to wages or employment taxes, or increases or expansions of benefits negotiated or agreed to by a PA or NPC unless provided for in the Annual Budget Act or appropriated by statute.
- No increase in wages or benefits negotiated or agreed to by a PA or NPC shall take effect until it has been approved by the state or unless provided for in the Annual Budget Act or appropriated by statute.

BUDGET NARRATIVE

FY 2007-2008

PA/NPC Hourly Rate:	1	\$10.50
PA/NPC Hourly Administrative Cost:	2	\$0.05
Hourly Services Cost: Total	3	\$10.45
Hourly Wage:	4	\$9.00
Health Benefits:	5a	\$0.55
Non-Health Benefits (if any)	5b	0
Payroll Taxes (FUTA, SUI, FICA)	6	\$0.90

Comments (Optional): The proposed PA rate increase is needed to support the growing number of providers' enrolling in the health plan.